

HOUSE BILL REPORT

HB 2548

As Reported by House Committee On:

Higher Education

Appropriations

Title: An act relating to a University of Washington branch campus at Everett.

Brief Description: Authorizing a branch campus of the University of Washington at Everett.

Sponsors: Representatives Dunshee, Sells, Liias, Roberts, Chase and Ericks.

Brief History:

Committee Activity:

Higher Education: 1/28/08, 2/4/08 [DPA];

Appropriations: 2/8/08, 2/11/08 [DPA(HE)].

Brief Summary of Amended Bill

- Directs the University of Washington (UW) to operate a third branch campus, the University of Washington North Sound, in Everett.
- Directs the UW to expand: (1) upper division and graduate capacity; and (2) programs in high demand areas of study including science, technology, and engineering.
- Allows for the admission of freshman and sophomores "gradually and deliberately".
- Directs the UW to develop co-admission or co-enrollment agreements with a community college to emphasize access for transfer students.
- Directs the Higher Education Coordinating Board to balance the operating and capital needs of the UW North Sound campus with the higher education system's overall operating and capital needs.

HOUSE COMMITTEE ON HIGHER EDUCATION

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: Do pass as amended. Signed by 8 members: Representatives Wallace, Chair; Sells, Vice Chair; Hankins, Hasegawa, Jarrett, McIntire, Roberts and Sommers.

Minority Report: Do not pass. Signed by 2 members: Representatives Anderson, Ranking Minority Member; Schmick.

Staff: Andi Smith (786-7304).

Background:

The 2007-09 Capital Budget (section 1048, chapter 520, Laws of 2007) expressed the Legislature's intent to expand Baccalaureate and graduate capacity in the Snohomish, Island, Skagit area (SIS) and called on the University of Washington (UW) to govern and operate an additional branch campus to be located in that area. Top priorities for the campus include expansion of upper division capacity for transfer students and graduate students in high demand programs, with a particular focus on science, technology, and engineering.

The 2007-09 Capital Budget also appropriated \$4 million to the UW and the Office of Financial Management (OFM) to recommend where to locate the campus in the SIS area and to develop a preliminary academic plan for it. A preliminary academic plan and site options and recommendations were released on November 15, 2007.

In 2007 a series of work groups convened by the UW and the OFM and including the architecture firm NBBJ began to analyze higher education needs both in the SIS counties and statewide. The SIS area has historically witnessed higher than average community and technical college student participation yet lower than average student participation in four-year institutions. Lower levels of enrollment and degree production are partially offset by the in-migration of out-of-state workers with degrees to fill open jobs.

The workgroup, consultant team, and the UW projected that 90 percent of the current level of the SIS student participation in public four-year institutions would be met by existing institutions. Thus, enrollment for the new campus was projected at 5,059 students (4,452 undergraduate and 607 graduate) in 2025; 5,272 students (4,639 undergraduate and 633 graduate) in 2030; and 6,393 students (5,626 undergraduate and 767 graduate) in 2040. This assumes a 33 percent increase in student participation rate in the SIS area due to successful outreach and preparation efforts.

The estimates that full capital costs for the new campus will range from \$645 to \$803 million in 2007 dollars, excluding sales tax, construction contingencies, and site costs. They argue that it will be a minimum of six years, and more realistically 10 years or more, before such a large campus could be constructed. Operating costs in 2007 dollars are estimated to be \$41 million annually at full enrollment in 2025.

The OFM also contracted with architecture and design firm NBBJ to present at least three options and recommend a preferred permanent site for the new branch campus. The NBBJ was also asked to assess options and make recommendations for an interim site beginning in

fall 2008 that could accommodate up to 250 students with classes, including at least one possible lab science or engineering related program.

The workgroup (which included NBBJ) solicited potential sites for the new campus, resulting in a total of 84 submittals representing all three area counties by the end of July 2007. Each site was reviewed based on the following initial threshold criteria: location, transportation accessibility, and site conditions. The list was then narrowed to 11 sites and subject to more rigorous evaluation.

Each of the evaluation criteria were not deemed to be equal in their relative importance, so each was assigned a weight. For both the un-weighted and weighted site scores, the Pacific Station site in Everett ranked as the preferred site followed by the Smokey Point site in Marysville. The other Everett site (Riverside) ranked third and the Lake Stevens site (Cavalero) ranked fourth.

Summary of Amended Bill:

The UW is directed to operate a third branch campus, the University of Washington North Sound, in Everett. The UW must expand upper division and graduate capacity as well as programs in high demand areas of study including science, technology, and engineering. The campus may offer lower division courses linked to specific majors in fields not addressed at local community colleges.

Gradual and deliberate admission of freshman and sophomores is allowed in accordance with the campus plan submitted to the Higher Education Coordinating Board (HECB). The campus must also admit transfer students through co-admission or co-enrollment agreements with a community college, developed by the UW and the State Board for Community and Technical Colleges.

The HECB must balance the overall capital and operating needs of all the state's institutions of higher education when developing the capital and operating plans for the UW North Sound campus to maximize use of higher education capital and operating assets.

Amended Bill Compared to Original Bill:

The amended bill directs the HECB to balance the overall capital and operating needs of all the state's institutions of higher education when developing the capital and operating plans for the UW North Sound campus to maximize use of higher education capital and operating assets.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) There is no disagreement that there is a need for an institution of higher education in Snohomish County and that stakeholders would like to maximize opportunities for students to participate. Committee members are urged to act now and get the bill out of committee. The Everett Station site had tremendous support from the community, it is easily accessible since it is located in a transportation hub, it is not a high crime area, and there is ample parking including plans to build more. The Everett Station is likely to attract more students and faculty of color since Everett is already home to more people of color. The urban setting is good for students, it's close to internship and job opportunities, and will help them transition into the "real world." It also provides walkable access to the downtown core - a quality that is often very appealing to students. Downtown businesses stand ready to host internships. The site also has a smaller carbon footprint than the Marysville site and is therefore more ecologically responsible.

(With concerns) The UW is up to the challenge and has been preparing to start offering classes, but is also fine if the Legislature decides to move another direction. The UW has stated throughout the process that creating a new university should not decrease the amount of resources available for existing institutions.

(Opposed) The process set forth by the state has had some serious process-oriented problems. The Everett site has never met the minimum requirements, stipulated in the request for proposals, that the site had to be at least 25 contiguous acres. Public policy and public process have been compromised. When using these criteria, the Everett site did not qualify to be considered as a site. The release of the report was not well-timed since it was right before the holiday season and the start of the legislative session. Some of the costs were not adequately factored into the consultant's report; it will be more expensive to build in Everett than Marysville per acre. This is a long-term decision and growth of the general population over the next 100 years should be considered rather than just what is present now. The Everett site is also dangerous since it is located close to a jail that releases prisoners during the day who don't have rides and would need to access the transit station.

Persons Testifying: (In support) Representative Dunshee, prime sponsor; Mayor Ray Stephanson, Shannon Affholtar, and Karen Shawn, City of Everett; Brian Sullivan, Snohomish County Council; Jim Sharp, Everett Police Chief; Tom Hingson, Everett Transportation Services; Bill Reed, National Association for the Advancement of Colored People; Jerry Murphy, Louise Masten and Patrick Pierce, Everett Chamber of Commerce; Suzanne Oversee; Sabrina Weiner; Sue Strickland, Downtown Everett Association; Cliff Traisman, Washington Environmental Council; April Putney, Futurewise; and Greg Tisdell.

(With concerns) Randy Hodgins, University of Washington.

(Opposed) Jim Tosti, Windward Real Estate Development; Norm Olsen, Sperry Van Ness; Bill Binford; and Jane Roberts.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on Higher Education. Signed by 19 members: Representatives Sommers, Chair; Dunshee, Vice Chair; Haler, Assistant Ranking Minority Member; Cody, Conway, Darneille, Ericks, Fromhold, Green, Hinkle, Hunt, Kagi, Kenney, Kessler, McIntire, Morrell, Pettigrew, Seaquist and Sullivan.

Minority Report: Do not pass. Signed by 13 members: Representatives Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Anderson, Chandler, Grant, Haigh, Kretz, Linville, Priest, Ross, Schmick, Schual-Berke and Walsh.

Staff: Debbie Driver (786-7143).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Higher Education:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) The Pacific Station site is ready for classes to begin and wide ranging support from the community for the campus exists. First, parking infrastructure is provided through the availability of more than 80 parking spots and, in addition, the City of Everett is working with Sound Transit to develop an additional 500 parking spots. Second, students in Island and Skagit counties can take advantage of existing distance learning educational and public transportation is available to provide transportation services for students from these counties to the Everett branch campus site. Regarding the site itself, the City of Everett is willing to discount the property to sell below appraised value. The business community also supports the bill. The City of Everett offers a unique opportunity for residents of the city, the three county areas, and the state to access higher education opportunities.

(Opposed) None.

Persons Testifying: Mayor Ray Stephanson, City of Everett; and Louise Staton-Masten, Everett Area Chamber of Commerce.

Persons Signed In To Testify But Not Testifying: None.